Agenda Item No: 1.i

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: February 17, 2026

Submitted by: Gabriel Guerrero-Gabany

From: Public Works

Subject:
AMENDMENT NO. 1 TO THE REIMBURSEMENT AGREEMENT WITH THE YORBA LINDA WATER DISTRICT

Financial Impact:
Fiscal Impact:
There is no immediate fiscal impact associated with the recommended actions. Reimbursement amounts will vary by project.

Summary:
The City of Placentia annually undertakes street resurfacing projects which may involve the adjustment or relocation of Yorba Linda Water District (YLWD) water and sewer facilities. Under the original reimbursement agreement with an effective date of November 10, 2022, and approved by City Council on December 6, 2022, the City or its contractor would be responsible for adjusting the YLWD facility. The City is then reimbursed by the YLWD for all costs associated with the adjustment work. During the past 3 years, the City has found the reimbursement agreement to be an effective and convenient mechanism to ensure the City is reimbursed in a timely manner when adjusting YLWD facilities. Staff recommends approving Amendment No. 1, to the Reimbursement Agreement which will extend the term by three (3) years, for a total six (6) year term, with an agreement end date of November 22, 2028.

Recommendation:
Recommended Action: It is recommended that the City Council:

1. Approve Amendment No. 1 to the Reimbursement Agreement with the Yorba Linda Water District which will extend the term by a period of three (3) years for a total six (6) year agreement term, to expire on November 22, 2028; and
2. Authorize the City Administrator, and/or her designee, to execute all necessary documents, in a form approved by the City Attorney.

Strategic Plan Statement:
This item is consistent with the City Council approved Strategic Goal 3: Infrastructure, Facilities, and Public Spaces; maintain and enhance streets, parks, and public facilities to ensure they are well-appointed, clean, attractive, and reflective of the city's commitment to quality.

Discussion:

The City of Placentia annually undertakes street resurfacing projects which may involve the adjustment or relocation of Yorba Linda Water District (YLWD) water and sewer facilities located on the street surface. The YLWD has found it more efficient and cost effective for the City, rather than the YLWD, to carry out the adjustment of their facilities as a part of these street resurfacing projects. The facilities typically adjusted include water valves, sewer manhole covers and water vaults. Prior to awarding a construction contract, the City provides the YLWD with a copy of the low bidder's bid amount which includes the cost to adjust YLWD facilities. This allows the YLWD to decide if they would either prefer the City's contractor to complete this work or opt to have the YLWD's contractor adjust their facilities under a separate encroachment permit with the City. If the YLWD decides to have the City perform the work, the City is then reimbursed by the YLWD. The reimbursement cost is controlled by quantities and unit bid pricing provided by the paving contractor for adjusting YLWD infrastructure which is pre-approved by the YLWD. Upon completion of the work, the City invoices YLWD for reimbursement pursuant to the terms of the reimbursement agreement.

During the past 3 years, the City has found the reimbursement agreement to be an effective and convenient mechanism to ensure the City is reimbursed in a timely manner when adjusting YLWD facilities. It also simplifies coordination of construction work having only one contractor and one agency responsible for the entire scope of work. Staff recommends approving Amendment No. 1, to the Reimbursement Agreement which will extend the term by three (3) years, for a total six (6) year term, with an agreement end date of November 22, 2028.

Fiscal Impact Summary:
None.

Attachments
YLWD Reimbursement Agreement Amendment No. 1.pdf
YLWD Executed Agreement Nov 10 2022.pdf